#### DC BOARD OF ELECTIONS

# NOTICE OF PUBLIC HEARING TO REVIEW PROPOSED REFERENDUM MEASURE AND, IF NECESSARY, TO FORMULATE SHORT TITLE, SUMMARY STATEMENT, AND LEGISLATIVE FORM FOR THE PROPOSED REFERENDUM MEASURE

The Board of Elections shall consider in a public hearing whether the proposed referendum measure, "Referendum on the Tipped Minimum Wage Timeline Amendment Act of 2025," is a proper subject matter for referendum at the Special Board meeting on <u>Wednesday</u>, October 22, 2025 at 10:30 a.m., at 1015 Half Street SE, Suite 750, Washington DC 20003. The Board will meet remotely. Members of the public can only access the meeting by using the following information:

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In making a proper subject matter determination, the Board does not consider the merits of a proposed measure. Instead, it may consider only whether the proposed measure meets the subject matter requirements set forth in District of Columbia law. Specifically, the Board must reject the proposed measure if it determines that:

- The measure conflicts with or seeks to amend the Title IV of the DC Home Rule Act ("the District Charter");
- The measure conflicts with the U.S. Constitution;
- The measure has not been properly filed;
- The verified statement of contributions (the measure committee's statement of organization and report of receipts and expenditures) was not timely filed;
- The measure would authorize discrimination in violation of the DC Human Rights Act;
- The measure would negate or limit a budgetary act of the DC Council; or
- The measure would appropriate funds

Those who wish to testify at the hearing on the propriety of the proposed measure in light of the above-referenced criteria should contact the Board's Office of the General Counsel at 202-727-2194 or <a href="mailto:ogc@dcboe.org">ogc@dcboe.org</a> and provide their name, address, telephone number, and name of the organization represented (if any) by no later than <a href="mailto:Friday">Friday</a>, October 17, 2025 at 4:00 <a href="mailto:p.m">p.m</a>. Any written testimony or memoranda should be submitted for the record to the Board's Office of the General Counsel, 1015 Half Street SE, Suite 750, Washington, DC 20003 or at <a href="mailto:ogc@dcboe.org">ogc@dcboe.org</a> by that date and time as well. Individuals shall be permitted a maximum of three minutes for oral presentations. Representatives of organizations shall be permitted a maximum of five minutes for oral presentations.

If the proposed measure is found to present a proper subject, the Board shall formulate and adopt the measure's Short Title, Summary Statement, and Legislative Text at the meeting pursuant to D.C. Official Code § 1-1001.16(c)-(d).

The Short Title, Summary Statement, and Legislative Text of the proposed measure, as submitted to the Board by the proposer of the measure, read as follows:

#### **SHORT TITLE**

## REFERENDUM ON TIPPED MINIMUM WAGE TIMELINE AMENDMENT ACT OF 2025

#### **SUMMARY STATEMENT**

In 2022, a majority of District of Columbia voters approved Initiative 82, which raises the minimum wage for tipped workers to 100% of the minimum wage by 2027, with tips in addition. In July 2025, the Council of the District of Columbia enacted a law significantly changing Initiative 82, by freezing tipped workers' wages at \$10/hour until July 1, 2026 then gradually increasing those wages to 75% of the regular minimum wage by 2034. This referendum concerns whether that law should be approved (changing Initiative 82) or rejected (upholding Initiative 82 as originally approved by voters).

#### TEXT OF MEASURE

Shall the registered voters of the District of Columbia approve or reject the Tipped Minimum Wage Timeline Amendment Act of 2025, Title II, Subtitle W of D.C. Act 26-148.

### D.C. Act 26-148, Title II, Subtitle W— Tipped Minimum Wage Timeline Amendment Act of 2025

"Sec. 2222. The Minimum Wage Act Revision Act of 1992, effective March 25, 1993 (D.C. Law 9-248; D.C. Official Code § 32-1001 *et seq.*), is amended as follows:

- (a) Section 4 (D.C. Official Code § 32-1003) is amended as follows:
  - (1) Subsection (f) is amended as follows:
- (A) Paragraph (3) is amended by striking the date "January 1, 2023" and inserting the date "May 1, 2023" in its place.
  - (B) Paragraph (6) is repealed.
  - (C) A new paragraph (6A) is added to read as follows:
- "(6A) Except as provided in subsections (h) and (i) of this section, as of July 1, 2026, the tipped minimum wage shall be 56% of the minimum wage provided in subsection (a) of this section, with tips on top; provided, that the employee actually receives tips in an amount at least equal to the difference between the hourly wage paid and the minimum wage as set by subsection (a) of this section."
  - (D) Paragraphs (7) and (8) are amended to read as follows:
- "(7) Except as provided in subsections (h) and (i) of this section, as of July 1, 2028, the tipped minimum wage shall be 60% of the minimum wage provided in subsection (a) of this section, with tips on top; provided, that the employee actually receives tips in an amount at least equal to the difference between the hourly wage paid and the minimum wage as set by subsection (a) of this section.
- "(8) Except as provided in subsections (h) and (i) of this section, as of July 1, 2030, the tipped minimum wage shall be 65% of the minimum wage provided in subsection (a) of this section, with tips on top; provided, that the employee actually receives tips in an amount at least equal to the difference between the hourly wage paid and the minimum wage as set by subsection (a) of this section."
  - (E) New paragraphs (9) and (10) are added to read as follows:
- "(9) Except as provided in subsections (h) and (i) of this section, as of July 1, 2032, the tipped minimum wage shall be 70% of the minimum wage provided in subsection (a) of this section, with tips on top; provided, that the employee actually receives tips in an amount at least equal to the difference between the hourly wage paid and the minimum wage as set by subsection (a) of this section.
- "(10) Except as provided in subsections (h) and (i) of this section, as of July 1, 2034, the tipped minimum wage shall be 75% of the minimum wage provided in subsection (a) of this section, with tips on top; provided, that the employee actually receives tips in an amount at least equal to the difference between the hourly wage paid and the minimum wage as set by subsection (a) of this section."
- (2) Subsection (i) is amended by striking the phrase ", and (7)" and inserting the phrase "(6A), (7), (8), (9), and (10)" in its place.
  - (b) Section 8a (D.C. Official Code § 32-1007.01) is amended as follows:
    - (1) Designate the existing text as subsection (a).
    - (2) A new subsection (b) is added to read as follows:

"(b)(1) The Office of the Chief Financial Officer, beginning on June 1, 2027, and every 2 years thereafter, shall publish a report on the economic trends affecting the restaurant industry and tipped full-service and limited-service restaurant workers in the District that:

"(A) Compares wages and salaries for tipped restaurant workers year

over year

"(B) Indicates the average gross receipts for restaurants in the District;

"(C) Analyzes the changes in wages for tipped restaurant workers year

over year;

"(D) Compares the number of full-service and limited-service restaurants

year over year; and

- '(E) Indicates the total number of restaurants that claimed a retailer property tax relief credit pursuant to D.C. Official Code §§ 47-1807.14 and 47-1808.14 year over year.
- "(2) Each report published pursuant to paragraph (1) of this subsection after the June 1, 2027, report, shall also include an analysis of the effect of section 70201 of the One Big Beautiful Bill Act, approved July 4, 2025 (Pub. L. No. 119-21; 139 Stat. 170), on tipped workers' overall tax liability to the District.
- "(3) By January 1, 2036, the Office of the Chief Financial Officer shall publish a report analyzing the effect of the tipped minimum wage reaching 100% of the regular minimum wage on the restaurant industry and tipped workers in the District.".
  - (c) Section 9(b) (D.C. Official Code § 32-1008(b)), is amended as follows:
- (1) Paragraph (6) is amended by striking the phrase "; and" and inserting a semicolon in its place.
  - (2) A new paragraph (6A) is added to read as follows:
- "(6A) Beginning on January 1, 2026, a list of sources of the employee's compensation in addition to base wages and gratuities, including bonuses, commissions on sales, any amount calculated as a percentage of service charges, or other sources; and".

"Sec. 2223. Applicability. Section 2222(a)(1) shall apply as of July 25, 2025."